1	Title 5. EDUCATION
2	Division 1. State Department of Education
3	Chapter 19. Child Care and Development Programs
4	Subchapter 2. General Requirements
5	Article 1. General Provisions
6	Delete Section 18021:
7	§ 18021. Payments to Family Child Care Providers.
8	(a) Contractors who operate through family child care homes shall pay each non-employee family
9	child care provider the same rate(s) the provider charges non-subsidized families.
10	(b) For non-employee family child care home providers that do not serve non-subsidized children, the
11	contractor shall pay a rate that is within 1.5 standard deviations of the mean market rate for family child
12	care homes as established by the most recent survey of the local resource and referral agency.
13	NOTE: Authority cited: Section 8261, Education Code. Reference: Section 8261, Education Code.
14	
15	Add Subchapter 2.5, Article 1, Sections 18074 to 18076.2 to read:
16	Subchapter 2.5. Utilization of the Regional Market Rate
17	Article 1. General Provisions
18	§ 18074. Applicable Regulations.
19	The regulations contained in this Subchapter, except for those contained in Section 18075.1, shall
20	apply to contractors using the regional market rate ceiling to develop reimbursement agreements with
21	licensed and license-exempt providers of child care and development services to eligible families.
22	Section 18075.1 applies to contractors developing reimbursement agreements with licensed providers
23	only.
24	NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8265 and 8269,
25	Education Code.
26	§ 18074.1. Definitions.
27	(a) "Certified need for child care" means the number of days and hours of child care and
28	development services approved and documented by the contractor as sufficient to meet the family's need
29	for child care as specified in Education Code section 8263 (a)(2).
30	(b) "Derived rate" means the rate calculated pursuant to Section 18074.3(i).
31	(c) "School age" means children enrolled in kindergarten through grade nine.
32	(c) "Established rate" means the documented rates providers charge unsubsidized families pursuant
33	to Sections 18074.3 or 18074.4 but not to exceed the regional market ceiling.
34	(b)(d) "Maximum payment rate subsidy amount" means the regional market rate ceiling plus any
35	applicable adjustments pursuant to Section 18075.1 or 18075.2.
36	(e) "Regional market ceilings" means the maximum amount calculated by the Department that

1	providers in different regions of the state may be reimbursed for the same type of child care for the same
2	age child in accordance with statutory ceilings currently in effect.
3	(f) "Subsidized families" means eligible families who are receiving child care and development
4	services and on whose behalf the Department or the California Department of Social Services is providing
5	a reimbursement, in whole or in part.
6	(g) "Unsubsidized" means children or families other than those defined in subsection (f).
7	NOTE: Authority cited: Sections 8261, 8263, and 8269, Education Code. Reference: Sections 8263,
8	8269, and 8461, Education Code.
9	§ 18074.2. Application of Regional Market Rate Ceilings.
10	(a) Providers who establish a rate pursuant to Section 18074.3 of this subchapter, and who operate
11	with a valid license per Title 22 California Code of Regulations, Division 12, or are school districts
12	adhering to the requirements of Title 22 California Code of Regulations, Division 12, shall be reimbursed
13	pursuant to their established rate for the appropriate category in accordance with Section 18075, but not
14	exceed the maximum payment rate.
15	(b) Providers who establish a rate pursuant to Section 18074.3 of this subchapter, and who are
16	exempt from licensure per California Health and Safety Code sections 1596.792(d), (f), and (g), and
17	Title 22 California Code of Regulations, Sections 101158 and 102358, shall be reimbursed pursuan
18	to their established rate for the appropriate category in accordance with Section 18075, but not to
19	exceed 90 percent of the maximum payment rate for family child care homes. All other providers
20	who establish a rate pursuant to Section 18074.3 of this subchapter shall be reimbursed pursuant t
21	their established rate for the appropriate category in accordance with Section 18075, but not to
22	exceed 90 percent of the maximum payment rate for family child care homes.
23	Contractors shall use the age of the child, the certified need for care, and the applicable facility type
24	to locate the applicable regional market ceiling.
25	(a) The applicable facility type shall be determined as follows:
26	(1) Child care center ceilings shall be used for those providers who:
27	(A) Operate licensed centers; or
28	(B) Are public or private schools operating extended day programs; or
29	(C) Operate centers on tribal or federal lands; or
30	(D) Operate public recreation programs as defined in Health and Safety Code section 1596.792(g).
31	(2) Family child care home ceilings shall be used for those providers who:
32	(A) Operate licensed family child care homes; or
33	(B) Provide care in a home setting on tribal or federal land to children from more than one
34	family who are unrelated to the provider.
35	(3) In-home/exempt ceilings shall be used for all other providers. If no ceiling is provided for the
36	applicable reimbursement rate category pursuant to Section 18075, the contractor shall determine a

2	(b) For children enrolled in kindergarten who are less than 6 years of age, the applicable age category
3	shall be determined as follows:
4	(1) Providers identified in (a)(3) above shall utilize the 6+ age category.
5	(2) Providers identified in (a)(1) and (a)(2) above shall utilize:
6	(A) The 6+ age category when the child is considered school-age for licensing purposes.
7	(B) The 2-5 age category when the child is considered preschool age for licensing purposes.
8	(c) Services for subsidized families shall be reimbursed based on the lesser of the maximum subsidy
9	amount, the established rate, or the derived rate, whichever is applicable.
10	NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8265 and 8269,
11	Education Code.
12	§ 18074.3. Establishment of Provider Reimbursement Rate for Centers and Family Child Care
13	Homes.
14	Providers of child care and development services to eligible families shall provide documentation to
15	the contractor of the rate(s) they charge. When a provider has not established a rate, as defined in Section
16	18075 of this subchapter, that corresponds to the certified need of the family, the contractor shall establish
17	the appropriate rate as follows:
18	(a) Identify a rate category that corresponds to a provider's established rate.
19	(b) Divide the provider's rate by the regional market rate ceiling for the appropriate rate category.
20	This will yield a percentage.
21	(c) Apply the resulting percentage to the regional market rate ceiling for the rate category to be used
22	for reimbursement. This shall be considered to be the provider's established rate for that category.
23	This section applies to providers as described in Sections 18074.2 (a)(1) and (a)(2).
24	(a) Providers of child care and development services to subsidized families shall provide
25	documentation to the contractor of all the rates they charge unsubsidized families. Providers who are
26	unable to meet the requirements of this section may establish a rate in accordance with Section 18074.4.
27	(b) Upon seeking to establish a rate, providers subject to subchapter 10 of Chapter 19 of these
28	regulations shall provide documentation that 25 percent of the children enrolled in the facility are
29	unsubsidized.
30	(c) The provider must supply documentation for each rate paid by unsubsidized families for a
31	cumulative period of at least 3 of the preceding 12 months. If providers have more than one rate for
32	unsubsidized families, providers shall identify to the contractor by age group and hours of care each rate
33	used by unsubsidized families and shall identify the rate most commonly used by unsubsidized families.
34	If the provider has been operating for less than 3 months during the preceding 12 months, the provider
35	must supply documentation covering the period of time that the provider has been operating. If the
36	provider has a valid license pursuant to Title 22 California Code of Regulations, the contractor shall

ceiling by multiplying the regional market hourly ceiling by the hours of certified need.

- assume that the provider has been continuously operating since the date the license was issued, unless
- 2 evidence is provided that demonstrates that the provider operated for a shorter period.
- 3 (d) The documentation required shall be established by written policies adopted by the contractor.
- 4 (e) Documentation shall consist of any or all of the following:
- 5 (1) Written agreements signed by both the provider and a parent of unsubsidized children, including
- 6 the hours of care, age of child, and reimbursement amount.
- 7 (2) Copies of cancelled checks to the provider issued by a parent of unsubsidized children showing
- 8 the period covered by the payment.
- 9 (3) Copies of payment ledgers maintained by the provider that include the payment period.
- 10 (4) Documents retained for tax purposes by the provider showing the payment amount and the period
- 11 covered by such payment.
- 12 (5) Any other documentation specified in the written policies of the contractor that is reasonably
- related to verification of the rate paid by unsubsidized families.
- (f) Written declarations by the provider are not sufficient documentation for the purpose of
- establishing a rate.
- 16 (g) The contractor may verify the documentation supplied by the provider by comparing the rate in
- the documentation to the rate in the database maintained by the local resource and referral agency, by
- telephone contact with the provider, by visiting the facility operated by the provider, or by other means as
- 19 established in the written policies of the contractor. Contractors shall retain a record of verification
- 20 efforts and the results of those efforts.
- 21 (h) In each county, all agencies operating pursuant to Article 15.5 of Chapter 2 of Part 6 of Division 1
- of the Education Code shall develop a single policy regarding the documentation required in subsections
- 23 (b) through (f) above. Transfer of a family between agencies or stages of CalWORKs child care in the
- same county shall not be delayed or refused due to differences in policy regarding rate documentation.
- 25 (i) When none of the provider's established rates correspond to the certified need of the family, the
- 26 contractor shall establish a derived rate as follows:
- 27 (1) Identify the rate category that corresponds to the provider's most commonly used established rate.
- 28 (2) Divide the provider's most commonly used established rate by the regional market ceiling for the
- same rate category. This will yield a percentage.
- 30 (3) Apply the resulting percentage to the regional market ceiling for the rate category to be used for
- reimbursement. This shall be considered the derived rate for that category.
- 32 (j) Reimbursement shall be the lesser of the amount the provider would charge unsubsidized families
- for the same hours of child care or the derived rate determined by subsection (j) above.
- 34 (k) If the family's need for care can be met by more than one rate category as defined in Section
- 35 18075, the contractor shall determine the derived rate in the category that will yield the lowest
- 36 reimbursement.

- NOTE: Authority cited: Sections 8625 and 8269, Education Code. Reference: Sections 8265 and 8269,
- 2 Education Code.
- § 18074.4. Establishment of Reimbursement Rate for Centers and Family Child Care Homes
- 4 **Utilizing the Comparable Local Rate.**
- This section applies to providers described in Sections 18074.2(a)(1) and (a)(2), who are unable to
- 6 establish a rate pursuant to Section 18074.3.
- 7 (a) Services provided by an agency utilizing a center-based contract with the Department shall be
- 8 reimbursed at the agency's contract rate or the agency's established rate that corresponds to the certified
- 9 need for care.
- 10 (b) For all other providers, the contractor shall determine a comparable local rate for the provider's
- services that corresponds to the family's certified need for care.
- 12 (c) To determine the comparable local rate, the contractor shall randomly select five reimbursement
- rates established pursuant to Section 18074.3 and currently in use by providers operating the same type of
- 14 <u>facility in the same or comparable zip codes</u>. If five examples of rates established pursuant to Section
- 15 18074.3 are not available in the same or comparable zip codes, the contractor shall select five established
- rates in the same county or region that correspond to the subsidized family's certified need for care.
- 17 (d) The contractor shall calculate the average of the five rates selected pursuant to subsection (c).
- This shall be the comparable local rate. Contractors shall retain documentation of the rates selected and
- computations performed pursuant to this subsection.
- 20 (e) The contractor shall reimburse the provider's requested rate up to the comparable local rate.
- 21 (f) If the family's certified need for care can be met by more than one rate category, as defined in
- Section 18075, the contractor shall utilize the rate category that will yield the lowest reimbursement.
- NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8265 and 8269,
- Education Code.
- 25 § 18074.5 Establishment of Reimbursement Rate for In-Home/Exempt Providers.
- This section applies to providers as described in Section 18074.2(a)(3). These providers shall be
- 27 reimbursed pursuant to their requested rate up to the regional market ceiling for the appropriate rate
- category, not to exceed the maximum subsidy amount.
- 29 NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Section 8265 and 8269,
- 30 Education Code.
- 31 § 18075. Reimbursement Rate Categories.
- 32 Contractors shall reimburse providers in accordance with the following rate categories, up to the
- 33 regional market rate ceiling for each category.:
- 34 (a) Hourly, which shall only be used for the following:
- 35 (1) When a child's certified need for child care and development services is no more than 15 hours
- 36 per week and no more than six hours on any day within the week; A child's certified need for child care

1	of less than 30 hours per week and less than six hours on any day; or
2	(2) An unscheduled but documented need of less than six hours or less per occurrence, such as the
3	parent's need to work overtime, that exceeds the child's certified need for child care and development
4	services; or
5	(3) That portion of the child's certified need for child care and development services that exceeds
6	52.5 hours per week and is not included in the provider's full-time weekly or full-time monthly rate. This
7	provision applies only if the family utilizes no more than one provider to meet the child's entire need for
8	child care and development services. Additional payment made under the hourly rate for this purpose
9	cannot exceed the provider's full-time weekly or full-time monthly rate.
0	(b) Daily, which shall only be used for the following:
1	(1) When a child's A certified need for child care and development services occurs on three days or
2	less each week for more than of six hours or more per day; or
3	(2) An unscheduled but documented need of more than six hours or more per occurrence, such as the
4	parent's need to work on a regularly scheduled day off, that exceeds the ehild's certified need for child
5	care. and development services; or
6	(3) The parent's variable work schedule lacks a pattern of recurring work days and days off on a
17	weekly or monthly basis and, in the judgment of the contractor, prohibits the child's certified need for
8	child care and development services from being met by applying any other rate in this section.
9	(c) Part-time weekly, which shall only be used when the child's a certified need for child care and
20	development services is greater than 15 hours per week and no more less than 30 hours per week and the
21	need for child care and development services occurs on at least three days per week.
22	(d) Full-time weekly, which shall only be used when the child's a certified need for child care and
23	development services is greater than 30 hours or more per week.
24	(e) Part-time monthly, which shall only be used when for the following:
25	(1) The child's A certified need for child care and development services is greater than 15 hours but
26	no more of less than 30 hours per week and the that need for child care and development services occurs
27	in every week of the month; or
28	(2) The child's A certified need for child care and development services averages more than 15 hours
29	but no more less than 30 hours per week when calculated by dividing the total number of hours of
30	services needed in the month by 4.33, and the that need for child care and development services occurs in
31	every week of the month.
32	(f) Full-time monthly, which shall only be used when for the following:
2	(1) The shild's A cortified need for shild ears and development services is of more than 20 hours or

more per week and the that need for child care and development services occurs in every week of the

month; or

(2) The child's A certified need for child care and development services averages more than 30 hours

- or more per week when calculated by dividing the total number of hours of services needed in the month
- by 4.33, and the that need for child care and development services occurs in every week of the month.
- 3 NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8220, 8222, and
- 4 <u>8357</u>, Education Code.
- 5 § 18075.1. Rate Adjustment for Evenings and/or Weekends for Licensed Providers.
- 6 (a) This section applies only to services reimbursed reimbursement to licensed providers, and only
- 7 when the contractor is reimbursing a provider using a category specified in Section 18075(c), (d), (e), or
- 8 (f), except this section shall not apply to reimbursement provided pursuant to the hourly rate defined in
- 9 Section 18075(a).
- 10 (b) When the child's a certified need for child care and development services occurs between the
- includes hours during the period from of 6:00 p.m. and to 6:00 a.m. on weekdays, or any time on
- weekends day of the week or from 6 a.m. Saturday to 6:00 a.m. Monday, the contractor shall multiply the
- 13 provider rate as follows regional market ceiling for the applicable rate category by the appropriate
- 14 adjustment factor as follows:
- 15 (1) By 1.25 when more than 50 percent or more of the certified need for child care and development
- services occurs during this period.
- 17 (2) By 1.125 when more than 25 percent but no more less than 50 percent of the certified need for
- child care and development services occurs during this period.
- 19 (c) Reimbursement to the provider shall be the lesser of the amount the provider charges unsubsidized
- 20 families for the same hours of child care, or the maximum subsidy amount as determined pursuant to
- subsection (b) above.
- NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8220, 8222, and
- 23 <u>8357, Education Code.</u>
- 24 § 18075.2. Rate Adjustment for Children with Exceptional Needs.
- 25 (a) When child care and development services are provided to a child with exceptional needs, the
- 26 <u>contractor shall multiply the provider rate regional market ceiling for the applicable rate category by only</u>
- 27 one of the following:
- 28 (1) By 1.2, when the child has exceptional needs as defined in Education Code section 8208(1).
- 29 (2) By 1.5, when the child is severely disabled as defined in Education Code section 8208(x).
- 30 (b) Contractors shall apply this rate adjustment only when there is documentation that additional
- services and/or accommodations for that particular child are being provided, and such services and/or
- accommodations result in an on-going financial impact on the provider.
- NOTE: Authority cited: Sections 8222, 8265, 8265.5, and 8269, Education Code. Reference: Sections
- 34 8208(1) and 8208(x), Education Code.
- 35 § 18076. Limitations on Reimbursement.
- 36 (a) Single Rate Category. Contractors shall only provide reimbursement reimburse providers using a

1	single rate category as defined in Section 18075 unless using more than one category results in a lower
2	amount of reimbursement than would result if using a single category.
3	(b) Notwithstanding subsection (a), contractors may provide reimbursement to a provider using both a
4	daily and an hourly rate when:
5	(1) No single rate established by the provider corresponds to the family's need for care; and
6	(2) The provider has established a rate in both daily and hourly rate categories pursuant to Section
7	18074.3; and
8	(3) Using both rates is consistent with the rates the provider charges unsubsidized families needing
9	similar hours of care.
10	(b)(c) Notwithstanding subsection (a), when Sections 18075 (a)(2), 18075(a)(3), or 18075(b)(2) are
11	applicable, contractors may reimburse providers for those categories in addition to the applicable single
12	category.
13	(c) Contractors may reimburse a child care provider using a rate that exceeds the regional market rate
14	ceilings when there are no more than two child care providers in the region offering services meeting the
15	needs of the subsidized family pursuant to Education Code section 8263, and the provider has established
16	a rate pursuant to Section 18074.3 of this article that exceeds the ceilings.
17	(d) Contractors shall adopt a policy governing absences that includes reasonable limitations for
18	reimbursement purposes.
19	(d) Contractors shall not be bound by the regional market ceilings when there are, in the region, no
20	more than two child care providers of the type needed by the subsidized family. For the purposes of this
21	subsection, types of providers are licensed child care centers, licensed family child care homes, and
22	exempt providers.
23	NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8222, 8266.5,
24	and 8357, Education Code.
25	§ 18076.1. Provider Payment Other Reimbursable Fees.
26	(a) A family may choose a child care provider who charges a higher fee than the contractor's
27	maximum payment rate.
28	(b) In such cases, the family shall be responsible for the difference between the rate charged by the
29	provider and the contractor's maximum payment rate.
30	(e) The contractor shall pay reimburse fees charged by providers such as registration, materials,
31	and/or and insurance fees charged by providers, either in a single payment or prorated over a 12-month
32	period, as long as:
33	(1) The same fee is charged to nonsubsidized families, provider documents that the contractual terms
34	used for services to unsubsidized families require payment for such fees; and
35	(2) The fees or prorated portion thereof, plus the rate established for the provider pursuant to this

subchapter, does do not exceed the maximum payment rate regional market rate ceiling.

- NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Sections 8222, 8266.5, 1 2 and 8357, Education Code. § 18076.2. Reimbursement for Absences Reimbursable Hours of Care. 3 4 (a) This section does not apply to reimbursement for services provided pursuant to Sections 18075(a)(2), and (a)(3), and Sections 18075(b)(2) and (b)(3), of this subchapter. 5 (b) Reimbursable hours of child care and development services for the child's regular provider shall 6 7 include: 8 (1) Time that a child's absence is deemed excused pursuant to Section 18066 and the time the child is 9 absent when the contractual terms used by the provider for services to nonsubsidized unsubsidized 10 families require payment for such absences. Reimbursement for an excused absence based on the child's illness shall not occur in lieu of providing accommodations for the child pursuant to the applicable 11 12 provisions of the Americans with Disabilities Act. 13 (2) Time that the provider has a paid holiday or vacation and can provide documentation that the 14 contractual terms used by the provider for services to nonsubsidized unsubsidized families require 15 payment for such holidays or vacations. The number of reimbursable paid holidays or vacations shall be 16 limited to a maximum of ten days per fiscal year per provider. 17 (c) Reimbursable hours of child care and development services for an eligible alternate provider shall 18 include: 19 (1) Time that child care and development services are provided when the regular provider has a paid 20 holiday or vacation, and the parent has to obtain an alternate provider to meet the certified need for child 21 care and development services. Payment to an alternate provider when the regular provider has a paid 22 holiday or vacation shall be limited to ten days per child per fiscal year. (2) Time that child care and development services are provided by an eligible alternate provider when 23 24 the child is ill and the parent has to obtain care from an eligible alternate provider. Payment to an 25 alternate provider when the child is ill shall be limited to a maximum of ten days per child per fiscal year. Contractors may reimburse an alternate provider in excess of ten days per year based on the illness of the 26 27 child if the parent provides a physician statement that the child's illness poses a risk to other children. 28 (d) The contractor shall not reimburse for child care and development services when Reimbursable 29 hours do not include: 30 (1) The child is attending school scheduled instructional minutes of a public educational program
 - (1) The <u>ehild is attending school</u> scheduled instructional minutes of a public educational program available to a school-age child, or a private school in which the child is enrolled and attending.
- 32 (2) The Time when the child is receiving any other child care and development services except as
 33 specified in 18076.2(c)(2).

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(3) For school age children, when services are provided during the usual hours of operation of a local public school available to the child, or a private school that the family chooses to attend, unless the child is receiving services from an alternate provider due to illness as specified in subsection 18076.2(b). Days

1	on which the provider is not open to provide services, except as specified in subsection (b)(2). A
2	contractor shall reimburse an alternate provider when the regular provider is not open to provide services
3	and the subsidized family must obtain an alternate provider during the certified need for child care.
4	NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Section 8208(e), 8263,
5	8266.5, and 8357, Education Code.
6	
7	Subchapter 10. Alternative Payment Program
8	Article 2. Policies and Procedures
9	
10	Add Sections 18220.5 and 18220.6 to read:
11	§ 18220.5. Eligible Providers.
12	(a) Contractors shall not reimburse child care services for families who choose licensed providers who
13	do not serve at least 25 percent unsubsidized children unless the provider requests and the contractor
14	grants a waiver of this requirement.
15	(b) The provider may request a waiver under the following circumstances:
16	(1) There is a lack of licensed facilities in locations convenient to the subsidized family; or
17	(2) There is a lack of facilities described in subsection (a) of Section 18074.2 that are in a location
18	convenient to the subsidized family and have rates established pursuant to Section 18074.3; or
19	(3) The specific facility chosen by the subsidized family is capable of meeting the special needs of the
20	child, and other facilities with rates established pursuant to Section 18074.3 would be less capable of
21	meeting those needs.
22	(c) Upon the provider's request for a waiver pursuant to subsection (b) above, the contractor shall
23	make a written determination of whether the circumstances justify granting of the waiver. The contractor
24	shall maintain written determinations in the files of the agency.
25	NOTE: Authority cited: Section 8222.5, Education Code. Reference: Section 8222.5, Education Code.
26	§ 18220.6. Provider Rate. Family Co-Payment.
27	(a) A family may choose a child care provider regardless of the provider's rate.
28	(b) When a provider's rate and other allowable charges exceed the maximum subsidy amount, the
29	family shall be responsible to pay the provider the difference between the provider's rate and the
30	maximum subsidy amount. This shall be considered the family's co-payment. The contractor shall not be
31	responsible for collecting the family's co-payment.
32	NOTE: Authority cited: Sections 8265 and 8269, Education Code. Reference: Section 8265 and 8269,
33	Education Code.

1	Chapter 19.5 CalWORKs and Child Care and Development Programs
2	Subchapter 2. CalWORKs Stage 2 Child Care Program
3	Article 4. Provider Payments and Parent Fees
4	Amend Section 18413 to read:
5	§ 18413. Provider Payments.
6	(a) The contractor shall pay reimburse each provider no more than the that provider charges
7	nonsubsidized unsubsidized families, and not to exceed the applicable regional market rate ceiling
8	maximum subsidy amount established pursuant to statute as defined in Section 18074.1. 1.5 standard
9	deviations above the mean cost of care for that region established by the most recent regional market rate
10	survey. For providers that serve only subsidized children, the contractor shall pay a rate that is not to
11	exceed 1.5 standard deviations above the mean market rate established by the most recent regional market
12	rate survey. When there are no more than two child care providers in the region providing the type of
13	care needed by the family, the contractor is not bound by the maximum payment rate for that region.
14	(b) The contractor shall calculate the payment for child care on a monthly, weekly, daily, or hourly
15	basis depending on the family's needs and the contractual terms used by the provider to charge
16	nonsubsidized families for the same service. The payment basis shall not be calculated for the sole
17	purpose of financially benefiting the provider.
18	(e)(b) Reimbursable hours of care shall include: work hours, commute hours, participation in county-
19	approved activities, and other eligible hours as approved by the contractor.
20	(1) Time necessary for the parent to travel between his/her work or work activity and the child care
21	provider;
22	(2) Time that a child is absent when the contractual terms used by the provider for services to
23	nonsubsidized families require payment for such absences; and
24	(3) Time that care is provided by another eligible provider when the child is ill or when the usual
25	provider of care has a paid holiday at the time that the parent must work or attend a work activity.
26	(d) Contractors shall adopt a policy governing absences that include reasonable limitations for
27	reimbursement purposes.
28	(e) The contractor shall pay registration fees charged by child care providers, as long as these fees are
29	the same as those charged to nonsubsidized families for the same purpose and the registration fee together
30	with the provider payment do not exceed the maximum payment rate.
31	NOTE: Authority cited: Sections 8261 and 8269, Education Code. Reference: Sections 8353 and 8357,
32	Education Code.

1	Subchapter 3. CalWORKS Stage 3 Child Care Program
2	Article 4. Provider Payments and Parent Fees
3	Amend Section 18428 to read:
4	§ 18428. Provider Payments.
5	(a) The contractor shall pay reimburse each provider no more than the that provider charges
6	nonsubsidized unsubsidized families, and not to exceed the applicable regional market rate ceiling
7	maximum subsidy amount established pursuant to statute as defined in Section 18074.1. 1.5 standard
8	deviations above the mean cost of care for that region established by the most recent regional market rate
9	survey. For providers that serve only subsidized children, the contractor shall pay a rate that is not to
10	exceed 1.5 standard deviations above the mean market rate established by the most recent regional market
11	rate survey. When there are no more than two child care providers in the region providing of the type of
12	care needed by the family, the contractor is not bound by the maximum payment rate for that region.
13	(b) The contractor shall calculate the payment for child care on a monthly, weekly, daily, or hourly
14	basis depending on the family's needs and the contractual terms used by the provider to charge
15	nonsubsidized families for the same service. The payment basis shall not be calculated for the sole
16	purpose of financially benefiting the provider.
17	(e)(b) Reimbursable hours of care shall include: work hours, commute hours, participation in county-
18	approved activities, and other eligible hours as approved by the contractor.
19	(1) Time necessary for the parent to travel between his/her work or work activity and the child care
20	provider;
21	(2) Time that a child is absent when the contractual terms used by the provider for services to
22	nonsubsidized families require payment for such absences; and
23	(3) Time that care is provided by another eligible provider when the child is ill or when the usual
24	provider of care has a paid holiday at the time that the parent must work or attend a work activity.
25	(d) Contractors shall adopt a policy governing absences that include reasonable limitations for
26	reimbursement purposes.
27	(e) The contractor shall pay registration fees charged by child care providers, as long as these fees are
28	the same as those charged to nonsubsidized families for the same purpose and the registration fees
29	together with the provider payment do not exceed the maximum payment rate.
30	NOTE: Authority cited: Sections 8261 and 8269, Education Code. Reference: Sections 8354 and 8357,
31	Education Code.
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